

RECORD VERSION

STATEMENT BY

**GENERAL RICHARD A. CODY
VICE CHIEF OF STAFF
UNITED STATES ARMY**

AND

**THE HONORABLE CLAUDE M. BOLTON, JR.
ASSISTANT SECRETARY OF THE ARMY
(ACQUISITION, LOGISTICS AND TECHNOLOGY) AND
ARMY ACQUISITION EXECUTIVE**

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GENERAL RICHARD CODY & MR CLAUDE BOLTON

Chairman McCain, Senator Lieberman, and distinguished members of the Senate Armed Services Committee, I would like to express our appreciation at the opportunity to appear before you to discuss your Army's Transformation, in particular The Army Modular Force and the Future Combat Systems (FCS). I thank the Members of the Committee for their continued, outstanding support to the men and women in uniform who make up our great Army. Your concern, resolute action, and deep commitment to America's sons and daughters are widely recognized throughout the ranks of our Service.

Our Army is the dominant land campaign force for our Combatant Commanders in fighting the Global War on Terror (GWOT), transforming to meet present and future threats, resetting to sustain a high operational tempo, and leading the most radical change of its institutional and training base since World War II.

Today, our all-volunteer Army, with 650,000 Soldiers on active duty, is providing forces and capabilities for Operation Iraqi Freedom, Operation Enduring Freedom, and other global requirements beyond GWOT. The Army continues to deter aggression and keep peace on the Korean Peninsula, the Sinai Peninsula, the Horn of Africa, Kosovo, Bosnia, and elsewhere around the world. Army Soldiers are supporting Homeland Security and providing Military Support to Civil Authorities for many different missions within the United States. In addition, the Army supports numerous humanitarian assistance missions and supports organizations such as Joint Task Force Bravo in Central America in its effort to counter illicit narcotics trafficking.

As the Army fights the GWOT and meets other global commitments, it remains committed to transforming. We are moving forward while focused on

two core competencies: (1) training and equipping Soldiers and growing leaders; and (2) providing relevant and ready land power to Combatant Commanders as part of the Joint Team.

The Army developed The Army Campaign Plan (ACP) to synchronize the training, providing, transforming and resetting of forces to both sustain the current operations tempo and be relevant to future threats. Also, the ACP monitors the overhaul of our training base and institutional Army. The ACP's objective is to continue our transformation toward increasing joint interdependent capability, furthering our expeditionary qualities, and providing the Nation with a campaign quality force.

One of the primary objectives of Army Transformation is restructuring from a division-based to a brigade-based force. These brigades are designed as modules or self-sufficient and standardized brigade combat teams, that can be more readily deployed and combined with other Army and joint forces to meet the precise needs of Combatant Commanders. The results of this transformational initiative will be an operational Army that is larger and more powerful, flexible, and deployable.

This program, which we call modularity, will increase the combat power of the active component by 30 percent, as well as the size of the Army's overall pool of available forces by over 50 percent. The total number of combat brigades will increase with 10 active brigades (three-and-a-third divisions in our old terms) being added by the end of 2006. Our goal for this larger pool of available forces is to enable the Army to generate forces in a rotational manner that will support two years at home following each deployed year for active forces, four years at home following each deployed year for the Army Reserve and five years at home following each deployed year for National Guard forces. During units' operational cycles, Soldiers can expect to complete an operational deployment rotation between six to 12 months. We will only reduce the amount of time units stay on

home station if we have no other options in supporting the National Security Strategy. Implementing this program will provide more time to train, predictable deployment schedules, and the continuous supply of land power required by the Combatant Commanders and civil authorities.

To efficiently modularize the force, the ACP will leverage our current efforts to reset units redeploying from combat. Reset requires intensive resource allocation, repair, and overhaul of our ground equipment and aircraft, and prioritization and streamlining of our facilities and personnel to support these efforts. The Army will reset redeploying units into their new modular configurations in a manner in which a unit's component is completely transparent.

The Active Component's 3rd Infantry Division and the New York National Guard's 42nd Infantry Division Headquarters are providing the Army's first test of our modular concept. Today in Iraq, two modular brigades of the 3rd Infantry Division are serving under the 42nd Division along with two National Guard brigades, one from Tennessee and one from Idaho. Likewise in Iraq, one National Guard brigade from Louisiana currently serves as part of the 3rd Infantry Division. When all units redeploy, the National Guard brigades will be set into a standard modular configuration in the same manner as active component brigades.

As the Army continues to transform more of its units into this new configuration, all components will increasingly realize the efficiencies and benefits of modularity. Beyond the primary purpose of providing more lethal and agile units, our modular design facilitates a more streamlined logistical support structure across the Army. This characteristic of modularity will particularly benefit the Army Reserve, as it processes the bulk of the Army's theater-level support. This is because our Combat Support and Combat Service Support units, instead of collectively having to support nine different types of brigade

configurations, will only have to support three different types of brigade configurations once the force is transformed.

The force, above the brigade-level, will be supported by similarly modular supporting brigades such as Multi Functional Aviation Brigades. By design, these brigades will possess the bulk of the Army's aviation combat power and comprise attack, reconnaissance, assault, and general support capabilities. This design efficiently provides tailored aviation formations to effectively meet the combat brigade's requirements. Additional above brigade-level modular supporting brigades will provide fires, logistics, and other support.

Modularity also allows our above brigade headquarters structure to become far more versatile and efficient as we eliminate an entire echelon of command - moving from three to two levels. Concurrently, the Army Reserve, Expeditionary Force packages are being structurally tailored to rapidly deploy in support of modular combat formations. Similar innovations will occur in the logistics and intelligence organizations that support our forces and other Services.

FCS is the core of our Future Force's combat brigade, consisting of 18 systems, plus the continued expansion of the network and capabilities to the Soldier – all designed to function as a single, integrated system. FCS is the Army's primary materiel program for achieving future force capabilities. It will integrate existing systems, systems already under development, and systems to be developed. Fielding FCS is essential to providing the kind of lethal, agile forces required for full spectrum operations in the future. FCS will connect units through enhancements to the current and evolving network architecture that leverages inter-Service capabilities and provides greater situational awareness. This, in turn, leads to synchronized operations heretofore unachievable.

In May 2003, FCS moved on schedule into the Systems Development and Demonstration phase. In July 2004, the Army identified and announced FCS

Program adjustments that strengthened the FCS Program and improved the Current Force through early delivery, or spiral insertion, of selected FCS capabilities. The adjustments maintain the Army focus on FCS-equipped brigade development.

The FCS program continues Department of Defense program reviews with a Milestone B update in May 2005 and a System Functional Review in August 2005. FCS Milestone C decision (to begin initial production) is in 2012. This will lead to an Initial Operational Capability in 2014 and a Full Operational Capability FCS-equipped Brigade Combat Team in 2016.

The FCS approach to evolutionary acquisition includes iterative insertion of technology into FCS during the life cycle of the program. As a minimum, required threshold capability will be achieved by the initial production of FCS-equipped units in 2014. The FCS embraces evolutionary acquisition through iterative development for FCS components and systems that will be adequately mature to produce as spiral insertions to the Current Force.

The evolutionary development approach to the FCS program acquisition strategy falls into four primary categories: first, the priority of development will be on the network, unattended munitions, unmanned systems, and finally Manned Ground Vehicles (MGV). Consequently, MGV development will be extended. Non-Line of Sight Cannon (NLOS-C) will lead MGV development and deliver prototype NLOS-C systems in 2008 with pre-production systems starting in 2010. Second, all core deferred FCS systems will now be funded and fielded with the first equipped brigade, allowing FCS-equipped brigade combat team fielding to begin in 2014. Third, more robust assessment, experimentation, and evaluation are included in the program to prove revolutionary concepts, mature the architecture and components, and assist in technology development. Finally, a series of Spiral-Out packages of technology insertion, beginning in 2008 will successively insert FCS capabilities into an Evaluation Brigade Combat Team

(E-BCT) for test, evaluation, and experimentation. Validated Spiral Out systems will be fielded to Current Force modular combat brigades for integration onto host platforms, i.e., Stryker, Heavy, and Infantry. The FCS program will spiral installments of FCS Battle Command capability to the Current Force beginning in Fiscal Year 2009 with the fielding of the Joint Tactical Radio System (JTRS) and Warfighter Information Network –Tactical (WIN-T), envisioned as the backbone of the Future Force network. The recent restructuring of the JTRS Cluster 1 program resulted in the need to re-synchronize this effort. The Program Manager for Unit of Action has implemented plans that include pre-Engineering Development Models (EDMs) as well as surrogate systems in early integration and experiment efforts. By 2014, the network complementary programs will be synchronized to support the replacement of Army Battle Command and Control Systems with an integrated FCS Battle Command system that provides on the move capability down to the platoon level.

Risk associated with the maturation of technologies contributed to the Army's decision to restructure the FCS program and extend it by four years. The restructured plan significantly reduces risk through both the spiral plan and the increased development time between Milestone B and Milestone C. The program has accepted the advice of several review panels that suggested that FCS mature and field technologies over time to the forces. FCS remains at the heart of the Army's strategy to mitigate risk using the Current to Future Force construct. At the same time, the Army is accelerating selected technologies to reduce operational risk by improving the Current Force's survivability, intelligence, surveillance and reconnaissance, and joint interdependence. Just as emerging FCS capabilities enhance the Current Force, the Current Force's operational experience informs the FCS program, further mitigating future challenges and risk.

To execute spiral insertions of FCS technology to the Current Force, the Army will lead overall program management and development efforts while using the Lead Systems Integrator (LSI) to assist the Army in managing the system of

systems integration. The LSI is the program integrator from industry partnered with the Army. The LSI is responsible for providing direct support to the Army in requirements development and analysis, and operational, systems, and technical architectures development. In order to solicit participation in the bidding process by the best of industry, no company was excluded from competition for the systems and subsystems contracts. To address the LSI's ability to operate in a dual role as both integrator and contractor, it was recognized that a potential conflict of interest might arise from a company acting as both the LSI and a potential bidder. The Army is ensuring stringent oversight and has built appropriate firewalls as reviewed and certified by the Institute for Defense Analysis.

The Army's commitment to the future is certain. We will continue to provide our Nation, the President, the Secretary of Defense, and the Combatant Commanders with a unique set of core competencies and capabilities. We remain dedicated to training and equipping our Soldiers and growing leaders. We will continue to deliver relevant and ready land power to the Combatant Commanders and the Joint Force.

Our Soldiers continue to perform magnificently around the globe. Simultaneously executing the GWOT, implementing our modularity and transformation initiatives, and setting the force will be a challenge. However, it is also an opportunity to reshape ourselves for the future that we cannot pass up. As we move forward, the Soldier remains the centerpiece of our combat systems and formations and is indispensable to the Joint Team. Adaptive, confident, and competent Soldiers, infused with the Army's values and warrior culture, fight wars and win the peace.

American Soldiers display unrelenting tenacity, steadfast purpose, quiet confidence, and selfless heroism. We appreciate your wisdom, guidance, and strong support as we work to ensure that they have what they need to

successfully accomplish their missions and return home safely – not only today's force but tomorrow's force as well.